

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5926-02
Bill No.: Perfected HCS for HB 2125
Subject: Health Department; Health, Public; Medicaid
Type: Original
Date: April 16, 2014

Bill Summary: This proposal requires the MO HealthNet Division and the Department of Health and Senior Services to collaborate and develop a plan to reduce the incidence of diabetes in the state and improve diabetic care.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)
Total Estimated Net Effect on General Revenue Fund	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
University Funds*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Transfer-in and expenditures net to \$0.

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** assume this proposal is not directing the MHD to put together a new diabetes management program but rather to work together with the Department of Health and Senior Services, develop action plans, write reports with outcomes, costs, and impact estimates, and estimate what it would cost to develop new programs and budget requests. There will be no fiscal impact to MHD.

Officials from the **Department of Health and Senior Services** assume the proposal would not fiscally impact their agency.

House Amendment No. 1

§191.1140 - Show-Me Extension for Community Health Care Outcomes (ECHO) Program

In response to the similar legislation from the current session (HB 2154), officials from the **University of Missouri (UM or University)** stated there is a line item in HB 3 budgeting \$1.5 million so the University can implement and manage the Show-Me Extension for Community Health Care Outcomes (ECHO) Program. This is the annual cost of the program that has been developed and designed by the University. There will be additional costs if the program is expanded.

Oversight notes funding is subject to appropriations and is presenting the cost as \$0 or (\$1,500,000) to the General Revenue Fund.

Officials from the **Department of Mental Health**, the **Department of Health and Senior Services**, and the **Department of Social Services** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Transfer-Out - To the University of Missouri</u>			
Transfer of appropriations for the ECHO program	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND			
	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>
UNIVERSITY FUNDS			
<u>Transfer-In - University of Missouri</u>			
Appropriations for the ECHO Program	\$0 or \$1,500,000	\$0 or \$1,500,000	\$0 or \$1,500,000
<u>Costs - University of Missouri</u>			
ECHO Program expenditures	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>
ESTIMATED NET EFFECT ON UNIVERSITY FUNDS			
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may have an impact on small business health care providers who participate in the program.

FISCAL DESCRIPTION

House Amendment No. 1

Subject to appropriations, the University of Missouri shall manage the “Show-Me Extension for Community Health Care Outcomes (ECHO) Program”. The program is designed to utilize current telehealth technology to disseminate knowledge of best practices for the treatment of chronic, common, and complex diseases from a multidisciplinary team of medical experts to local primary care providers who will deliver the treatment protocol to patients. This will alleviate the need of many patients to travel to see specialists and will allow patients to receive treatment more quickly. The program will utilize local community health care workers as a way to obtain better patient compliance and improved health care outcomes.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Mental Health
Department of Health and Senior Services
Department of Social Services -
 MO HealthNet Division
University of Missouri



Mickey Wilson, CPA
Director
April 16, 2014

Ross Strobe
Assistant Director
April 16, 2014